



February 16, 2017

Written testimony of Penni Martin, Regional Director of Operations, National Health Care Associates Concerning the Governor's Recommended FY 2018 and FY 2019 Proposed Budget

Good evening Senator Osten, Senator Formica, Representative Walker and to the members of the Appropriations Committee. My name is Penni Martin and I am the Regional Director of Operations for National Health Care Associates. I oversee thirteen facilities in the state of Connecticut:

- Bethel Health Care in Bethel
- Bloomfield Center for Health and Rehabilitation in Bloomfield
- The Pines at Bristol Center for Health and Rehabilitation in Bristol
- Cambridge Health and Rehabilitation Center in Fairfield
- The Hebrew Center for Health & Rehabilitation in West Hartford
- Ludlowe Center for Health and Rehabilitation in Fairfield
- Maple View Health and Rehabilitation Center in Rocky Hill
- Marlborough Health and Rehabilitation Center in Marlborough
- Milford Health and Rehabilitation Center in Milford
- Regency House Nursing and Rehabilitation Center in Wallingford
- Riverside Health and Rehabilitation Center in East Hartford
- Village Crest Center for Health and Rehabilitation in New Milford
- Water's Edge Center for Health and Rehabilitation in Middletown

National Health Care Associates has been providing nursing and rehabilitative care in communities throughout Connecticut for nearly 40 years. Because of our size and clinical capabilities and expertise, we provide services to the ill and elderly in every area of the Connecticut, as noted above.

Our more than 2,100 full and part-time employees care for up to 1,750 short-term patients and long-term residents. Many of our centers have received a variety of awards, from the Silver and Bronze "National Quality Awards," to various national customer services awards and

affiliations and recognition by local providers of care. Additionally, 50% of our centers have been named to U.S. News & World Reports “Best Nursing Homes” for 2016-2017 and are 5 Star rated by the Centers for Medicare and Medicaid Services. Several of our centers are onsite training locations for RNs, LPNs, CNAs, and even future physicians as well as other healthcare professionals.

At our facilities we believe that: *“It is our mission to provide our residents and their families with superior care delivered by staff dedicated to the principles of: Kindness, Compassion, Service, and Excellence in an environment where the individuality, dignity and value of those who are served, as well as, those who serve, is nurtured and appreciated. We believe that life, in all stages, and with all of its challenges is a precious gift to be shared and celebrated. It is our privilege to participate in the lives of our residents, their friends, and families by offering them not only physical but emotional care, comfort and support.”*

We are proud of our staff and their desire to deliver the highest quality care experience to anyone who comes to our center. Our teams do an exemplary job and many of them have worked for National Health Care in Connecticut for 20 years or more. The centers in which they work are as much their home as the residents they care for and they take great pride in the job they do and the care they deliver.

But as you are hearing from others, providing great care is becoming much more challenging. We believe that is our responsibility to provide the best for every resident and patient. However, we are being called upon to take care of more medically complex patients with less financial resources. While our costs are steadily increasing, our reimbursement has been stagnant for almost ten years now. If the budget passes as is, it will be a full decade of nearly flat funding for our nursing centers. More devastating is the idea that our nursing centers could be cut yet again this session because of our state’s ongoing financial troubles.

Furthermore, this year the Department of Social Services began implementing a policy that will cut the property component of our rates---and these cuts will grow even more on July 1, 2017, costing tens of thousands of dollars to our centers. It is difficult to see how we can continue to provide the kind of care that the ill and elderly of Connecticut deserve if the budget stands as it is. For example last year, we significantly increased the wages and benefits for our hardworking employees. We also understand that the proposed budget will increase the fines nursing homes pay by 400% (from \$5,000 to \$20,000)! When no new resources have been provided in 10 years, is it really fair to increase the fines so dramatically?

However, we have so many additional pressures beyond the important need to pay our staff a fair wage for the great jobs they are doing and doing our best to avoid fines. Here are some examples:

- Already dealing with an inadequate Medicaid rate, changes in federal reimbursement and increasing costs for technology, labor, pharmacy, supplies, food, utilities, and more significantly impacts our financial wellbeing. This has forced reductions in highly needed labor and we continue to look for cost savings in this area while struggling to maintain excellence in the level of service we provide to our patients and our residents.
- The needs of our patients and residents are changing, as they have been for years now. The acuity of our residents is so much more complex as our population ages and individuals are discharged from hospitals earlier than ever before. These patients require a higher level of care at a time when we have less and less available resources.

Please help us deliver the high quality care we want to deliver by reversing cuts to our nursing homes.

On behalf of everyone at National Health Care Associates in Connecticut, thank you and I would be happy to answer any questions you may have.

Sincerely,

Penni Martin, LNHA, M.S., S.L.P.
Regional Director of Operations
National Health Care Associates